

## Notice of Proposed Single Family Residential Metered Water Rates

### Dear Customer:

This notice explains the Proposed Single Family Residential Metered Water Rates for customers receiving City of Fresno water services. The proposed water rates will be recommended to the Fresno City Council at the date, time, and location specified below in the Notice of Public Hearing. This notice also provides information on the reason for the proposed water rates.

This notice has been sent to all property owners who currently receive water services from the City of Fresno. If adopted, the proposed water rates become effective March 1, 2010. The proposed

water rates affect **only** residential water customers who have water meters installed and operating.

Non-metered, residential water customers will not be affected until their property becomes metered. Commercial, industrial and multi-family water rates are currently metered and the proposed water rates **will not** affect those customers.



## Notice of Public Hearing

**The public hearing for the proposed residential metered water rates will be held on:**

**Date:** November 5, 2009

**Time:** 5:00 p.m.

**Place:** City of Fresno Council Chamber, 2600 Fresno Street, Fresno, CA 93721

### Background

Existing California law states all residences built after 1992 must have a water meter installed on all new connections after that date within systems owned or operated by a water purveyor, of which the City is one. However, in 1992 the City of Fresno voters amended the City's Charter to prohibit the installation and/or use of water meters. In 2004, the California State Legislature passed Assembly Bill 514 (AB 514) to legally mandate all residences have a water meter installed and be billed on water usage if they receive water via the Central Valley Project (CVP). The CVP is a federal water project that provides the City with approximately 40% of its annual water supply. As a result of this legislation, the City is legally mandated to install water meters on all residential properties by January 1, 2013.

In addition, state law and the City's CVP contract for water require the City to begin billing for metered water by March 1, 2010. An outside



consulting firm was retained by the City of Fresno to develop the new consumption-based, metered

water rates for the City's residential customers. The consultant's approach was to be "revenue neutral" in the development of the proposed rates. "Revenue neutral" means the consumption-based rates are designed to collect the same level of total revenue currently collected by the City from all residential flat rate customers.

It should be noted that water bills for individual customers may vary based on water consumption using the proposed metered water rates. Lower than average water consumption will result in lower than average water bills and higher than average water consumption will result in higher than average water bills.

# Residential Water Rates

The following tables provide a summary of the proposed water rates to be considered by Fresno City Council at the public hearing noted on page one. The tables represent the monthly impact to a typical residential customer.

The rate plan shown below was recommended by the Fresno Utility Advisory Committee (UAC),

a volunteer group of citizens appointed by the Mayor and City Council. Their final report was delivered to the Mayor, City Council and City Manager on July 16, 2009.

On August 20, 2009, City Council directed staff to proceed with the Proposition 218 public notification process.

**Table 1: Single Family Residential Non-Metered Rate (Current)**

	Water Rate \$ per month
<b>Residential Flat Rate for Non-Metered Customers (up to 6,000 sq. ft. lot size)</b>	<b>\$22.87</b>
<b>Additional charge over 6,000 sq. ft.</b>	<b>\$0.228 per each add'l. 100 sq. ft.</b>

The above Table 1 shows there will be no change to the current flat rate of \$22.87 per month for residential non-metered customers.

**Table 2: Single Family Residential Metered Rate (Proposed)**

Meter Size	\$ Monthly Ready to Serve Charge
<b>3/4" Meter</b>	<b>\$10.03</b>
<b>1" Meter (most common meter size)</b>	<b>\$13.51</b>
<b>1-1/2" Meter</b>	<b>\$18.89</b>
<b>2" Meter</b>	<b>\$27.09</b>
<b>Single Family Residential Volume Charge for Metered Customers</b>	<b>\$ Volume Charge per HCF</b>
<b>All Consumption</b>	<b>\$0.61/HCF</b>

1 HCF=1 CCF=1 Hundred Cubic Feet=748 Gallons

The above Table 2 shows the water rate for single family residential metered customers. The rate consists of a monthly ready to serve charge based on meter size plus a volume charge based on water usage. The ready to serve charge pays for all monthly fixed costs to provide water service to a customer, regardless of the volume of water consumed. Some examples of fixed costs are debt service payments, capital expenditures, interdepartmental charges, costs related to state and federal regulatory requirements, and water purchase costs that are under contract with the United States Bureau of Reclamation (USBR) and the Fresno Irrigation District (FID).

**Example:** A residence with a 1-inch water meter connection and monthly usage of 20 HCF (14,960 gallons) of water would have a monthly water bill of \$25.71. Using the tables above, the calculation is \$13.51 (monthly ready to serve charge) + 20 (# of HCF used) x \$0.61 (volume charge per HCF) = \$13.51 + \$12.20 = \$25.71 total monthly water bill. Based on the most recent data, the average monthly residential water bill in Fresno is currently \$28.32. Water usage typically increases during the summer and decreases during the winter.

## Exceptions in service are as follows:

### Residences Not Currently on City Water

Residences not currently on City water will not be affected by the proposed water rates.

### Residences located within the Bakman Water District

Properties located within the Bakman Water District do not receive water service from the City and their water rates will not be affected by this notice.

### Residences located within the Pinedale Public Utility District (PPUD)

Some properties in PPUD receive water services from the City and if they do, their water rates will be affected.

### Residences located within the Pinedale County Water District (PCWD)

Some properties in PCWD receive water services from the City and if they do, their water rates will be affected.

# How do I protest the proposed metered water rates?

The Fresno City Council will consider these proposed water rates at a public hearing on **November 5, 2009 at 5:00 p.m.** The hearing will be held at the **City of Fresno Council Chambers** located at **2600 Fresno Street, Fresno, CA 93721.**

Under Proposition 218, the owner of record for a parcel(s) that is subject to the proposed water rates may submit a written protest against the proposed water rates to the City Clerk at or before the time set for the public hearing. If written protests are filed by a majority of the affected property owners, the proposed water rates will not be imposed.

A written protest must contain a description of the parcel or parcels in which the party signing the protest has an interest sufficient to identify

the parcel(s) including the Assessor's Parcel Number (APN). If the party signing the protest is not shown on the last equalized assessment roll of Fresno County as the owner of the parcel(s), the protest must contain, or be accompanied by, written evidence that such party is the owner of the parcel(s).

In rental situations where the tenant pays the water fees, it is the responsibility of the property owner to supply the tenant with this proposed rate notice. Tenants who pay the water fees are entitled to submit a written protest and appear at the public hearing. Only one protest per parcel will be counted.

Written protests may be mailed to: City of Fresno, City Clerk, 2600 Fresno Street, Fresno, CA 93721 or personally delivered to the City Clerk at the same

address. To be valid, a protest must be in writing, contain a description of the property, include the signature of the property owner or tenant, and be received by the City Clerk at or before the time of the public hearing. Protests by e-mail or fax will not be accepted.

The City of Fresno, City Clerk, 2600 Fresno Street, Fresno, CA 93721 has on file for review the Development of Residential Metered Water Rates Report and City of Fresno Water Rate Study.

You may obtain additional information by contacting either the City's One Call Center at **559-621-CITY (2489)** or the City's Utility Billing and Collections Division at **559-621-6888** during normal business hours, Monday through Friday.





# Is your home meter-ready?

Making small changes in our daily habits will help us adjust to water meters. Things like finding and fixing leaks, repairing worn out toilet flappers, or adjusting your sprinkler timers to avoid runoff can help. The City is here to help you save water in lots of ways!

## Help Setting Your Sprinkler Timer



Let us take the guesswork out of your sprinkler timer. As a courtesy to our customers, we will come out and show you how to adjust your automatic water timer for free. By having your automatic water timer set correctly, both energy and water is saved. If you prefer to set the timer yourself, remember to

set it "off the hour" (i.e. 9:48 PM, 2:17 AM, 4:23 AM) to alleviate the heavy burden put on our water supply at "on the hour" times.



## Free Plant Brochure

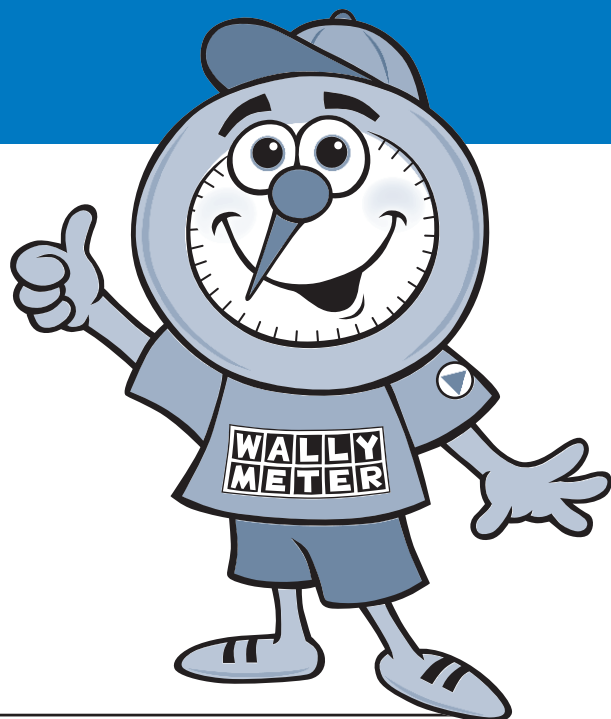
Want to know which plants help to conserve water and still look beautiful? Call the City of Fresno Water Conservation Program for your free brochure on "Creating A Fresno-Friendly Garden." The brochure includes a large list of beautiful flowers, shrubs, trees, groundcovers and vines that grow well in our climate and use very little water. We'll even come out to your location and survey your landscape for free! Simply call us to schedule an appointment, 621-5480.

## Prevent Water Runoff

Don't apply water faster than the soil can absorb it. Water running down sidewalks, across roads and into gutters is wasteful. To prevent water runoff, check for and fix leaks in your sprinkler system. And always use a hose nozzle that allows you to turn the water on and off as needed.

## Free Leak Detection Surveys

Want to get ahead of water meters? The best way is to schedule a leak detection audit of your home. Leaks that go undetected are one of the most common water wasters. We'll help you find that leak before you have to start paying for the wasted water! If your home has an evaporative cooler, make sure it's running properly without leaks, and that the water is circulating.



## WATERING SCHEDULE

### SPRING / SUMMER March 2 - November 30

Tues / Thurs / Sat  
Odd Numbered Addresses  
(Ending in 1,3,5,7,9)

Wed / Fri / Sun  
Even Numbered Addresses  
(Ending in 0,2,4,6,8)

**NO WATERING MONDAYS**  
**NO WATERING 6 AM TO 7 PM**

### WINTER December 1 - March 1

Saturday  
Odd Numbered Addresses  
(Ending in 1,3,5,7,9)

Sunday  
Even Numbered Addresses  
(Ending in 0,2,4,6,8)

**WATERING ALLOWED**  
**ANYTIME ON YOUR DAY**

## Cash In On Rebates

The City of Fresno offers a \$75 Rebate for replacing your inefficient toilet with a new Ultra Low Flush (ULFT) or High Efficiency Toilet (HET) or a \$100 rebate when you purchase a high-efficiency clothes washer. Be sure to get an application first. Call 621-5480 or go to [www.fresnowater.org](http://www.fresnowater.org).



## Pool Drain Notification

A permit is required before you drain a swimming pool. Permits are free and easy to obtain. Just call the Water Conservation Program at 621-5480 or go to [www.fresnowater.org](http://www.fresnowater.org).

## Pool Covers

Using a pool cover is also a good way to save water from evaporation.

# Overview of the City's Water Division

The Water Division is responsible for delivering a reliable supply of safe, high-quality water to both City and County residents in the Fresno Metropolitan area for domestic, commercial, institutional and industrial use. More than 54 billion gallons of water were delivered in 2008 through approximately 1,700 miles of water mains that met mandated state and federal drinking water standards. This consisted of 48.5 billion gallons of groundwater pumped from over 260 wells and 6.3 billion gallons from the Surface Water Treatment Facility (SWTF). Our future water supply is

assured through the purchase and recharge of surface water entitlements from the federal government via the CVP at Friant Dam and FID from the Kings River, as well as an active conservation program. The Division remains committed to extensive planning, outstanding customer service, innovative use of technology and keeping water rates among the lowest in the state. The Water Division operates

and maintains a surface water treatment facility, pipelines, pump stations, fire hydrants, storage reservoirs, recharge basins, wells and water meters.



## Major water projects in FY 2010 include:

- Enhancing the Water Conservation Program's ability to meet the goal of reducing water usage and waste and deal with added demands of the forecasted, ongoing drought conditions
- Awarding a Water Meter Retrofit contract to begin water meter installation on more than 110,000 single family residences
- Installing 26,000 residential water meters by June 30, 2010
- Engineering and design of Southeast Fresno Surface Water Treatment Facility to meet future water supply demands
- Construction of a Downtown Tank and Well and Downtown Water Supply Main to increase water supply and provide adequate fire suppression capacity for planned downtown revitalization and development
- Friant/Kern Pipeline/SWTF Project for right-of-way acquisition and construction
- Obtain bond financing for various water projects including the Residential Water Meter Retrofit



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2600 Fresno Street, Fresno, CA 93721

The hearing will cover the proposed water rates for residential water services.

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Department of Public Utilities  
2600 Fresno Street  
Fresno, CA 93721

**ADDRESS SERVICE REQUESTED**

PRSRT STD  
U.S. POSTAGE  
**PAID**  
FRESNO, CA  
PERMIT NO. 1242